

Indiana Department of Commerce
Neighborhood Assistance Program 2004-2005

Program Objective:

The Neighborhood Assistance Program (NAP) is a fundraising tool provided to not-for-profit corporations to help leverage private donations for Indiana Department of Commerce approved programs and projects.

Eligible programs or projects must benefit a 100% economically disadvantaged population or neighborhood.

Threshold Requirements: Your application will fail threshold if it does not contain the following:

- Copy of 501©3 designation letter from the Internal Revenue Service
- Copy of Not-for-profit tax registration certificate from the Indiana Department of Revenue
- Copy of your most recent Business Entity report to demonstrate good standing with the Indiana Secretary of State
- Separation of church and state agreement for religious intent, with original signatures
- Copy of organization's Articles of Incorporation
- Your application will fail threshold if it contains expenses that are ineligible for funding through the Neighborhood Assistance Program.
- Applications received after 5:00pm (Indianapolis time) on April 16th, 2004 will fail threshold.

The Community Development Division of the Indiana Department of Commerce must receive one original and two copies of this application no later than 5:00 p.m. (Indianapolis time), April 16, 2004 (postmarks will not be accepted).

Please send your application to:

Indiana Department of Commerce
Office of Community Assistance
One North Capitol Avenue, Suite 600
Indianapolis, IN 46204
Attn: Neighborhood Assistance Program

For assistance in obtaining not-for-profit certification forms:

Internal Revenue Service District Director:	1-877-829-5500
(Exempt Organizations Department)	
Indiana Department of Revenue:	317-232-2188
Indiana Secretary of State:	317-232-6576

Indiana Department of Commerce
Neighborhood Assistance Program 2004-2005
Attachment Checklist

Page One: Section A

- ☐ Attachment A1 Copy of not-for-profit designation from Internal Revenue Service (**copy of determination letter**)
- ☐ Attachment A2 Copy of Not-for-Profit tax registration certificate from the Indiana Dept. of Revenue (**State Form IT-35E or NFP-1**)
- ☐ Attachment A3 Proof of good-standing with the Indiana Secretary of State (**State Form 48725**)

Page One: Section B

- ☐ No attachments required

Page Two: Section C

- ☐ Attachment C1 Benefit Area: Documentation for benefit area unemployment rate
OR
Beneficiaries: Documentation for target population
- ☐ Attachment C2 Benefit Area: Documentation for median income
OR
Beneficiaries: Documentation for median income
- ☐ Attachment C3 Documentation for Special Designation District if applicable

Page Three: Section D

- ☐ No attachments required

Page Four: Section E

- ☐ Attachment E1 Project need documentation
- ☐ Attachment E2 Planning/Partnerships documentation
- ☐ Attachment E3 Top priority documentation
- ☐ Attachment E4 Long term planning documentation

Page Five: Section F

- ☐ Attachment F1 Current year (2004) operating budget
- ☐ Attachment F2 Last year's financial statements
(Audited statements will result in a higher score)
- ☐ Attachment F3 Documentation of local financial commitment for program/project completion
- ☐ Attachment F4 Additional justification for NAP budget
(bids, estimates, salary comparisons)

Page Six: Section G

- ☐ Attachment G1 Letters of support (for Questions 1 & 2)
- ☐ Attachment G2 Program/Project Timeline
- ☐ Attachment G3 Examples of marketing tools
- ☐ Attachment G4 NAP pledge/donor history list
- ☐ Attachment G5 Documentation of awards and grants
- ☐ Attachment G6 Credentials, resumes for staff and personnel

Indiana Department of Commerce
Neighborhood Assistance Program 2004-2005
Appendix List

Appendices should be tabbed with numbers

1. Copy of deed or lease for land, homes, or facilities (if project will include renovation or construction)
2. A list of Board of Directors and their affiliations
3. A list of the organization's current employees
4. For organization with operating budgets of less than \$100,000, a copy of the organization's most recent IRS Form 990 or Form 990EZ
5. Entity Annual Report (E-1) form (if available)
6. A map of the project area indicating the location of the project
7. The organization's Mission/Vision statement

**Indiana Department of Commerce
Neighborhood Assistance Program (NAP) Application**

Deadline: the Office of Community Assistance of the Indiana Department of Commerce must receive one original and two copies of this application no later than 5:00p.m. on Friday, April 16, 2004 (Indianapolis time).

NOTE: No postmarks will be accepted.

A. Applicant Information: Attachments A1-A3

Organization: _____

Contact: _____

Street Address: _____

City, Zip Code: _____ County: _____

Phone: () _____ Fax: () _____

Email: _____

Fed ID #: _____ Indiana Non-Profit #: _____

B. Program/Project Brief Description: No attachments

Please check the box below that best describes the service to be provided

- | | |
|--|--|
| <input type="checkbox"/> Affordable Housing | <input type="checkbox"/> Emergency Food Assistance |
| <input type="checkbox"/> Child Care | <input type="checkbox"/> Health Care |
| <input type="checkbox"/> Counseling Services | <input type="checkbox"/> Job Training |
| <input type="checkbox"/> Downtown Revitalization | <input type="checkbox"/> Recreational Facility |
| <input type="checkbox"/> Emergency Shelter | |

Total NAP tax credits requested: \$ _____

Total leveraged funds from NAP: \$ _____ (Twice the NAP Credits)

Total Program/Project Costs: \$ _____

Amount of NAP leveraged funds as a
percent of total project cost: _____ % $\frac{\text{(Amount of leveraged funds)}}{\text{(Total Project Cost)}}$

The enacting statute requires that leveraged dollars from NAP credits be expended on projects that are (a) located in and benefit an economically disadvantaged area or (b) benefit a special need population.

Please state how your proposed NAP program or project meets the economic disadvantage requirement by marking "a", or "b" on the following line: _____

C. Economic Disadvantage: **Attachments C1-C3**

INFORMATION ON ECONOMIC DISADVANTAGE MUST BE COLLECTED FROM STATS INDIANA

Internet Address: <http://www.stats.indiana.edu>

You must provide documentation for unemployment rate and median income as an attachment.

(a) Benefit Area (40)

What is the unemployment rate for the county/ies that you serve, for February 2004? _____ **(Attachment C1)**

What is the median income for the county/ies that you serve, for February 2004? _____ **(Attachment C2)**

OR

(b) Beneficiaries (40)

To qualify under "Beneficiaries" you must serve one of the following Special need populations: Please check the appropriate box

- | | |
|--|--|
| <input type="checkbox"/> Homeless | <input type="checkbox"/> Persons living w/AIDS |
| <input type="checkbox"/> Battered spouses | <input type="checkbox"/> Migrant Farm Workers |
| <input type="checkbox"/> Abused children | |
| <input type="checkbox"/> Mentally disabled | |
| <input type="checkbox"/> Physically disabled | |
| <input type="checkbox"/> Elderly persons | |

(Attachment C1)

What is the median income of beneficiaries? _____
(Attachment C2)

(c) Special Designation District/Other Factors (10)

Please check the appropriate box below indicating that your program or project is located in one of the following districts or that the beneficiaries reside in such a district: **(Attachment C3)**

- ☐ Urban Enterprise Zone
- ☐ Empowerment Zone
- ☐ Enterprise Community
- ☐ Main Street

OR

Are there other factors that speak to the economic disadvantage or special needs of the area or population? Please explain in the space provided.

D. Project Description: **No attachments**

- 1.) Describe (in detail) the proposed NAP program/project.
Limit description to one page

E. Project Need: Attachments E1-E4

Please be sure to answer each question thoroughly. Provide documentation as an attachment when requested.

- (50) 1.) Why does the community need this program/project? How does the program/project address the needs of the community? How is this need quantified and documented? *Identify specific groups/persons who will benefit from the program/project.

Attachment E1

- (25) 2.) Explain any formal planning undertaken and any partnerships formed in preparation for the program/project for which you are requesting NAP tax credits.

Attachment E2

- (25) 3.) Why is this program/project a top priority for your organization?

Attachment E3

- (25) 4.) How does this program/project fit into your organization's long-term plan? (Include **ONLY** relevant portions of strategic plan, vision statement, etc.)

Attachment E4

F. Financial Need: Attachments F1-F4

(45) I. Current Financial Status:

- (20) 1.) Provide your operating budget for the current year as well as last year's audited financial statements as an attachment.

Please note that un-audited financial statements will result in a point deduction.

Attachments F1 & F2

- (25) 2.) Provide documentation of local financial commitment for this program/project. (Funds described here are NOT those dollars leveraged with NAP credits, but are dollars used to complete the total project)

NOTE: If proposed NAP leveraged dollars will be used to match Specific IHFA HOME and IHFA CDBG program funds, verification and descriptions of such awards must be included in this section.

Points will be awarded based on the remaining percentage of funds

committed from local sources (Ex. NAP request of \$50,000 will leverage \$100,000 for a \$1,000,000 project, so a 90% funding gap remains)

Attachment F3

NAP request as a percentage of total program or project: _____ % (same figure as Page One) Remaining percentage: _____ %

_____ 5 pts	1 to 20% of remaining amount is committed
_____ 10 pts	21 to 40% of remaining amount is committed
_____ 15 pts	41 to 60% of remaining amount is committed
_____ 20 pts	61 to 80% of remaining amount is committed
_____ 25 pts	81 to 100% of remaining amount is committed

(50) II. Projected NAP Program/Project Cost:

- (35) 1.) Applicants will be scored on whether the budget adds up, whether NAP-leveraged dollars equal 2 times the NAP credits requested, whether a unit cost is determined for each line item in the "explanation" section that will be paid for with NAP-leveraged dollars, and whether the budget is consistent with other narrative sections of the application.

- (15) 2.) Provide documentation that further justifies costs in the NAP budget: construction project = detailed bids or estimates; salaries = salary comparisons

Attachment F4

(50) **III. Financial Gap:**

a.) Applicant is scored on a combination of lack of surplus funds as demonstrated by organization's operating budget and the accuracy of the NAP project budget.

b.) If the program/project does not involve an expansion of services, document the change in your financial picture that has prompted the application for NAP credits.

OR

If there is an expansion of services, demonstrate that the cost of services is proportionate with the amount of NAP credits requested.

G. Local Effort: (180 points) Attachments G1-G6 apply to this section

(50) **I. Community Support:**

(25) 1.) Letters of support from knowledgeable authorities (colleagues in area of assistance/expertise)

Attachment G1

(25) 2.) Letters of support from the community at large (community members, local leadership, elected officials, testimonials from beneficiaries)

Attachment G1

(50) **II. Planning and Preparation:**

(10) 1.) Provide a **detailed** timeline for implementation of the proposed project.

*Timeline must start July 2004 and end June 2005.

*Timeline must include fundraising events and all events to the completion of the proposed NAP project.

*Funds must be leveraged and spent by June 2005.

Attachment G2

(15) 2.) How does your organization intend to market NAP tax credits? Provide an explanation of marketing plans and target audience

Attachment G3

(25) 3.) Please attach a pledge list of possible NAP donors or a past donor list (mailing lists are not applicable). **Attachment G4**

(50) III. Implementation Capacity:

- (25) 1.) What programs or projects have you undertaken that have prepared you for success with the proposed program/project?
Please include documentation of previous NAP awards and other state/federal or other grants) **Attachment G5**

- (25) 2.) Does your organization have the administrative capacity and relevant skills to complete this program/project and to market NAP tax credits successfully? Please provide resumes.
Attachment G6

(30) IV. Past Performance Evaluation:

Applicant will be evaluated based on success with Neighborhood Assistance Program award from the immediately preceding funding round

- If applying organization is a new applicant, full points will be awarded.
- If applying organization fully expended all tax credits of a 2003-2004 award, full points will be awarded.
- If applying organization failed to expend all credits awarded, the following point deductions will be taken from this section (maximum of 30):

0% - 1% of credits not expended:	0-point deduction
2% - 10% of credits not expended:	5-point deduction
11% - 20% of credits not expended:	10-point deduction
21% - 30% of credits not expended:	15-point deduction
31% - 40% of credits not expended:	20-point deduction
41% - 49% of credits not expended:	25-point deduction
50+% of credits not expended:	30-point deduction

NOTE: Remaining percentages will be based on monitoring results from the Office of Community Assistance and the Indiana Department of Revenue.

H. Neighborhood Assistance Program Terms and Conditions:

The applicant agrees that the following terms and conditions shall be applicable to any Neighborhood Assistance Program (NAP) tax credits provided to the applicant.

1. The approved applicant shall make all project records available to the Indiana Department of Commerce (IDOC) and its agents and the Indiana Department of Revenue (IDOR) and its agents for a period of not less than five (5) years from their creation for any purpose, including without limitation, evaluation, monitoring, and audit by IDOC or IDOR or their agents.
2. The approved applicant shall have the sole responsibility for valuation of all property provided and services rendered under this program in accordance with 55 IAC 1-1.1-3, and shall be legally liable to IDOR for fifty percent (50%) of any inflated or excessive valuation, unless IDOR determines that mitigating circumstances should reduce or eliminate said liability.
3. The approved applicant agrees to receive written approval from IDOC prior to implementing any changes in project goals, objectives, budget, area to be served, or administrative structures.
4. The IDOC reserves the right to terminate any agreement with the approved applicant to offer tax credits to contributors, as well as the right to lower the minimum amount of tax credits which can be offered by the approved applicant if approved applicant deviates from its project plan, without approval of IDOC. Such deviations may include, without limitation, a commitment of contributions to the project less than the level outlined in its plan.
5. The IDOR reserves the right to review all contributions to projects administered by the approved applicant.
6. Approved applicants shall not discriminate against sub-recipients of NAP tax credits, employees, or applicants for employment because of the employee's age, race, sex, creed, color, or national origin. Violations of such requirement may result in disallowance of the tax credit.
7. The approved applicant agrees to implement the project between July 1, 2004 and June 30, 2005 in accordance with the State of Indiana's fiscal year.
8. The undersigned person represents that he or she has the actual authority to bind the approved applicant to the terms and conditions set forth herein.
9. The approved applicant agrees to be bound to the terms and conditions set forth herein and agrees to administer the proposed project in accordance with said terms and conditions, as well as with the attached proposal documents and the document entitled "Neighborhood Assistance Program Policy Statement".
10. The approved applicant agrees to comply with all applicable federal, state, and local laws, rules, regulations, or ordinances, whether currently existing or hereafter created, including, but not limited to IC 6-3.1-9 and 55 IAC 1-1.1.

Signature

Attest or Notary Signature

Printed Name

Printed Name

Title

Title

Date

Date

J. Certification of Applicant's Chief Elected Officer (Board President)

I certify that submission of this application has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed program; and that the proposed program is designed to meet the community-economic development goals of the applicant's service area. I understand the Indiana Department of Commerce retains the right to award less than the requested amount of tax credits and make conditional awards.

Signature: _____ Date: _____

Printed Name and Title: _____

Budget:

[illegible]

A	B	C	D	E	F
TOTAL PROJECTED:	\$ _____	*\$ _____	\$ _____	\$ _____	\$ _____

*This amount must be identical to the amount of NAP tax credits requested on the front page of this application.

****In-kind donations are only eligible for construction projects and are limited to 25% of the total project cost.**

Budget Column Formulas

A=Text/Line Item Description

$$B=D+E+F$$

C=Amount of NAP credits requested for each line item

D=2xC

E=In-kind donations

F=Other sources of funds; grants, awards, contributions other than NAP

SAMPLE BUDGET PAGE: Do not include sample budget as the budget for your project
Examples of possible budget scenarios with suggestions on how to demonstrate unit cost and detail.

SUGGESTED SCENARIO ONE: SALARY FOR PROGRAM STAFF

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)
Case Manager	\$20,000	\$10,000	\$20,000	\$0

*Explanation:

Case Manager Total Salary: \$20,000

Unit cost hourly rate calculation: $\$20,000 / 26 \text{ pay periods for } 40 \text{ hours p/week} = \9.61 per hour.

NOTE: If the position is a salary without hourly pay scale, unit cost and hourly rate must still be calculated.

SUGGESTED SCENARIO TWO: BENEFITS FOR PROGRAM STAFF

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)
Case Manager Benefits	\$5,000	\$2,500	\$5,000	\$0

*Explanation:

Benefits Include:

FICA: \$3,000

Health: \$1,000

Life: \$1,000

NOTE: Benefits must be a separate line item from salary, as well as have all benefit costs included as seen above.

SUGGESTED SCENARIO THREE: CONSTRUCTION PROJECT LINE ITEM EXPENSES FOR WINDOWS

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)
Windows and Supports	\$40,000	\$20,000	\$40,000	0

*Explanation:

20 windows for building at \$1,500 per window = \$30,000

20 window frames (includes wood supports and all hardware) at \$500 per frame = \$10,000

NOTE: Line items for construction must be separate from other major expenses and line items. In this example, unit cost is cost per window frame.

APPLICANT BUDGET UNIT COST BREAKDOWN:

A detailed explanation of each line item must be included. Detail unit cost of each position or unit of materials being paid with NAP-leveraged dollars.

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation:

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation:

<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation:

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation:

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation:

A	B	C	D	E
Expense:	Project total:	NAP tax credits:	NAP leveraged dollars:	Other sources: (Please Specify)

*Explanation: